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Applicability:	All DDSN State Employees

THE LANGUAGE USED IN THIS POLICY DOES NOT CREATE AN EMPLOYMENT CONTRACT BETWEEN THE EMPLOYEE AND THE SC DEPARTMENT OF DISABILITIES AND SPECIAL NEEDS. SCDDSN RESERVES THE RIGHT TO REVISE THE CONTENT OF THIS POLICY, IN WHOLE OR IN PART.

AUTHORITY:

The State Office of Human Resources' (OHR) Regulation requires all state agencies to develop a Reduction-in-Force policy.

PURPOSE:

The purpose of this policy is to prescribe the manner in which covered employees within the Department of Disabilities and Special Needs are separated, involuntarily demoted, have their hours reduced, or are reassigned in a positive and equitable manner should a reduction in force become necessary.

The Department of Disabilities and Special Needs will utilize a system of retention credits to determine which employees will be retained in the event a reduction in force is necessary. This system recognizes both length of continuous service with the State and levels of performance. The retention credit system is explained in more detail later in this policy.

The needs of the individuals served by the Department of Disabilities and Special Needs will be the controlling factor in decisions and actions taken to effect a reduction in force.

Reduction in force may be necessary because of conditions within or outside the Department. The Department may implement a reduction-in-force for one or more of the following reasons: reorganization, work shortage, outsourcing of services, or loss of funding.

These and other factors, occurring singly or in combination, may make it necessary for the Department to implement a reduction in force. Depending on the cause, a reduction in force may be temporary or permanent.

Reduction in force may require the separation of all employees of a program or service or employees in part of a program or service or may require separation of some and the reassignment of others.

Some reductions may not require involuntary separations if they can be accomplished through transfer, reorganization or normal attrition.

Employees who are not performing satisfactory service should be separated by the appropriate method rather than by layoff.

MANAGEMENT RESPONSIBILITIES:

The Department of Disabilities and Special Needs is entrusted with the responsibility for accomplishing stated objectives within the available resources. Management responsibilities include determination of positions required, where positions are located and which positions are to be filled, abolished or vacated. When circumstances require a reduction in force, the Department must reassign employees to vacant positions that exist in unaffected areas or implement a reduction in force program. If a reduction-in-force is required, the Department must determine the reason for the reduction-in-force, competitive area, competitive group, number of positions to be eliminated and State class title.

COMMUNICATION TO EMPLOYEES:

Before a reduction-in-force occurs and after OHR has approved the plan for procedural correctness, affected employees will be informed orally and in writing on several matters. A representative from the Human Resource Management office or the employee's supervisor will meet with each employee individually as soon as possible to explain the reduction in force and answer questions. The following topics will be covered.

1. The reason for the reduction in force.
2. The competitive area(s) and competitive class(es).

3. Explanation of the retention credit plan.
4. Explanation of salary reductions that may be taken if employee is assigned lower level responsibilities or demoted as a result of reduction-in-force.
5. The date it will be effective.
6. What the employee can expect in terms of final pay and unemployment insurance, effects on group insurance and retirement.
7. Whether reduction will be permanent or temporary. If temporary, give the best estimate for the duration of the layoff.
8. The employee's recall and reinstatement rights.
9. Grievance rights.

REDUCTION-IN-FORCE PLAN:

The State Director of Disabilities and Special Needs may eliminate a position(s) whenever it is deemed necessary by reason of reorganization, work shortages or loss of funding.

When it becomes necessary to implement a reduction in force, a formal directive to implement a reduction in force plan will be issued by the State Director of Disabilities and Special Needs after consideration of input from Deputy State Directors, Regional Directors, Facility Administrators and other key staff. The Reduction-in-Force Plan shall be reviewed and approved by the Office of Human Resources, Budget and Control Board for procedural correctness, prior to implementation.

The directive to execute the plan will specify the reason for the reduction in force, when it will occur, the competitive areas and the competitive groups that will be affected and what State classification titles will be used in determining the competitive groups. The directive will explain the order in which employees are to be laid off. The statement that employees who are laid off shall retain rights to recall and reinstatement for a period of one (1) year from the date of separation, shall have all benefits restored including sick leave and the option of buying back all, some, or no annual leave, and shall be reinstated in inverse order to the order of layoff, shall be included in the plan.

A list of employees in each class showing the computation of retention credits should be a part of the plan. Also, a preliminary list of employees in each class in order of retention points including name, age, race and gender shall be prepared and included in the directive.

The plan shall specify that if a vacancy occurs within the competitive area that is in the same State classification title as the position the employee held prior to the reduction-in-force, the Department will recall the employees in inverse order of the reduction-in-

force. The Department will notify the employees in writing of the job offer and recall rights. If the employee does not accept the job offer within ten days, the employee's recall rights are waived.

The plan shall specify what efforts will be made to place affected employees, including notice to the State Career Center per SC Code 8-11-185.

The directive shall specify that the Reduction-in-Force plan (except retention points) is available for review.

The directive shall specify that when a covered employee is assigned lower level responsibilities or demoted as a result of a reduction-in-force implemented due to budgetary reductions, the employee's salary may be reduced on the effective date of the reduction-in-force. The State Director or his designee, at his discretion, may reduce the employee's salary between 0 percent and 15 percent below the employee's current salary, or he may reduce it to an amount between the employee's current salary and the midpoint of the lower pay band. In exercising this discretion, the State Director or his designee, may use the option which results in the greatest cost savings.

The directive shall specify that probationary, temporary, temporary grant, and time-limited project employees have no reduction-in-force rights.

Also, justification for employees who are being retained under the "RETENTIONS OF NECESSARY QUALIFICATIONS" section of the Reduction in Force Plan should be included in the directive.

RETENTION CREDIT PLAN:

Retention credits shall be based on length of continuous service and total scores of annual performance appraisals for the preceding two years with the State of South Carolina. Retention credits are determined for length of service as follows:

One (1) point for each full year or major fraction thereof of continuous state service after completion of a 12-month probationary period. The computation will exclude periods of thirty (30) working days or more in which an employee was in leave without pay status. After the probationary period, six (6) months or more will be considered as one year, less than six (6) months will be disregarded.

For the purpose of establishing a total score for performance appraisals which will be used in computing total retention credits, the following numerical values will be assigned the performance appraisal system. Only the last two (2) annual performance

appraisals completed during the preceding two (2) years will be used in computing the performance appraisals retention points credit.

CREDIT

Substantially Exceeds Performance Requirements	3 Points
Exceeds Performance Requirements	2 Points
Meets Performance Requirements	1 Point
Below Performance Requirements	No Credit

For an employee with two (2) years or more of continuous service with the Department of Disabilities and Special Needs in one State classification title, a presumptive credit of one (1) point will be assigned for a calendar year in which no performance appraisal was issued.

When employees being bumped or demoted from a higher payband in a State classification title series are in competition with employees of a lower payband in that series, as provided in the "COMPETITIVE GROUPS" section of this directive, then retention credits for the higher payband shall be computed by adding two (2) points to the retention credits computed for them for the higher payband in which they are employed. This additional credit shall be the only correction allowed.

The sum of retention credits for performance and credits for the length of service and, where applicable, two (2) points for service in a higher class will constitute the total number of retention credits for an employee.

SEQUENCE FOR REDUCTION IN FORCE

- A. The order of the reduction in force of covered employees in each class shall be governed solely by the accumulation of total retention points except as provided in part B below.
- B. If two (2) or more employees have the same number of retention points for a position in the order of reduction in force and one or more, but not all, employees so tied for positions are to be considered for reduction in force, the hire date with the Department of Disabilities and Special Needs will determine their order; the most recent appointee being laid off, reassigned or demoted first.

COMPETITIVE AREAS

The State Director of Disabilities and Special Needs will determine the areas within which the mechanics of a reduction in force procedure are to apply. This area will normally be an entire region, a regional center or a program area or service area within a region. However, the competitive area may be established as a more restricted area where the staff in that area is separately organized and clearly distinguishable from the staff in other areas and where interchange of employees of the class involved would not be practical.

Under this procedure, different competitive areas may be established for different State classification titles of positions.

COMPETITIVE GROUPS

Within a competitive area, competition shall be among all employees holding positions of a State classification title. If the reduction in force is to apply to more than one State classification title, each class shall be treated separately, except where reductions are made in a State classification title series (e.g. Human Services Asst. II). In such cases, covered employees who are to be laid off from a higher payband in the series or a related State classification title shall be considered as competing with employees of a lower payband. If they possess sufficient retention credits to entitle them to positions in that State classification title, they shall bump into and replace occupants of such positions with fewer retention credits. Bumping rights are provided for covered employees who have accumulated more retention points than those with whom they are competing. Under no circumstances can an employee gain from a reduction in force. Bumping rights are provided only laterally and downward.

Retention of Necessary Qualifications

No employee shall be retained in preference to another employee in the competitive area and competitive class who is higher in the order of reduction in force except under the following conditions:

If the position of an employee is not to be abolished and the duties cannot be satisfactorily performed by any available employee higher in the order of retention points after a reasonable training period, the employee with lower retention points may be retained in preference to the employee with higher retention points. The SC Department of Disabilities and Special Needs (SCDDSN) may determine that the employee with higher retention points will not be able to satisfactorily perform the duties of the job based on lack of knowledge, abilities, skills, supervisory status, or necessary experience. In such

case, a statement of facts must be made in the reduction in force plan and approved in advance by the State Director of SCDDSN. SCDDSN will retain documentation to support any retention made on this basis.

AFFECTED POSITIONS

The department shall identify the position(s) within the competitive area(s) and competitive group(s) that will be eliminated by identifying the following information:

- A. State Class Title;
- B. State Class Code;
- C. State Band Level;
- D. Total number of positions in the State class title within the competitive area; and
- E. Total number of positions in the State class title within the competitive area to be eliminated.

GRIEVANCES

An employee who is affected by a reduction in force has the right to grieve through the Department's Grievance Procedure and appeal to the State Employee Grievance Committee only if the grievance or appeal is based on inconsistent or improper application of the Reduction in Force Policy or Plan.

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(Originator)

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(Approved)

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ATTACHMENT

SAMPLE - Preliminary List Preparation for Pending Reduction In Force

Due to a reduction in funds, it is necessary to reduce the work force in Unit 25 by November 2, 2001. Among affected classes are one Human Services Assistant II-Level 3 (MRS-B) and two Human Services Assistant II-Level 1 (MRS-A). One of the three will be retained as a Human Services Assistant II-Level 1 (MRS-A). In preparing a preliminary list of employees in order of retention credits, the following procedure should be used:

<u>Employees</u>	<u>Retention Credits</u>
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"A" Human Services Assistant II-Level 3 (MRS-B)

Performance ratings:

1)	2000 - (No rating in 2000)	1
2)	2001 - Substantially Exceeds	<u>3</u>
Total performance evaluation		4
Length of State service as of 6/01/2001:		
	6 Years, 2 months	6
	Credit for working in higher competitive class	<u>2</u>
Total Retention Credits		12

<u>Employee</u>	<u>Retention Credits</u>
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"B" Human Services Assistant II-Level 1 (MRS-A)

Performance ratings:

1)	2000 "Meets"	1
2)	2001 "Meets"	<u>1</u>
Total performance evaluation		2
Length of State service as of 6/01/2001		
	6 Years, 1 month	<u>6</u>
Total Retention Credits		8

ATTACHMENT (CONTINUED)

Employee

Retention Credits

"C" Human Services Assistant II-Level 1 (MRS-A)

Performance ratings:

1) 2000 "Meets"	1
2) 2001 "Meets"	<u>1</u>
Total performance evaluation	2
Length of State service as of 6/01/2001	
6 years, 6 months	<u>7</u>
Total Retention Credits	9

Retention Credits

The order of reduction in forces in this class was as follows:

- 1) Employee "A"12
- 2) Employee "C"9
- 3) Employee "B"8

Results:

- Employees "B" and "C" were laid off.
- Employee "A" was slotted into the position of Human Services Assistant II-Level 1 (MRS-A), taking a reduction in salary level.